

1 HOUSE BILL NO. 182
2 INTRODUCED BY D. LOGE

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING INSURANCE LAWS RELATED TO VOLUNTARY
5 TELEMATICS AGREEMENTS; ALLOWING AN INSURER TO SET INSURANCE RATES BASED ON
6 TELEMATICS DATA; ALLOWING THE TERMINATION OF A TELEMATICS AGREEMENT BY THE TERMS
7 OF THE AGREEMENT; AND AMENDING ~~SECTION SECTIONS 33-23-222 AND~~ 33-23-223, MCA."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 33-23-222, MCA, is amended to read:

12 **"33-23-222. Telematics agreement disclosures.** (1) A telematics agreement must be signed by the
13 policyholder.

14 (2) A telematics agreement must disclose the following:

- 15 (a) if the insurer or a third party designated by the insurer provides the recording device, the
- 16 categories of recorded data the recording device is capable of collecting, storing, or transmitting;
- 17 (b) the identification of any third party that may collect, store, transmit, or receive the recorded data in
- 18 relation to the terms of the telematics agreement;
- 19 (c) the categories of recorded data that may be collected, stored, or transmitted;
- 20 (d) the purposes for which the insurer or a third party may use the recorded data;
- 21 (e) the length of time the insurer or third party may collect, store, transmit, or otherwise retain the
- 22 data; and
- 23 (f) the terms of any ~~benefit premium adjustment~~ associated with the telematics agreement."

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25 **Section 2.** Section 33-23-223, MCA, is amended to read:

26 **"33-23-223. Insurer obligations for telematics agreement -- termination.** (1) An insurer may
27 provide a benefit to ~~an opportunity for~~ a policyholder ~~for participating to participate~~ in a telematics agreement.

28 (2) Except as provided in subsection (4), an insurer may not cancel, refuse to issue, or refuse to

1 renew a motor vehicle insurance policy solely because a policyholder refuses to:

2 (a) enter into or consent to a telematics agreement; or

3 (b) provide access to recorded data from a recording device.

4 (3) An insurer:

5 (a) may not reduce coverage, increase a premium, place in a less favorable rate tier, or deny a
6 claim to a policyholder if the policyholder refuses to enter into or consent to a telematics agreement, except as
7 provided in subsection (4) or (7); and

8 (b) may not, based upon solely on analysis of recorded data collected in connection with the
9 telematics agreement, ~~reduce coverage, increase a premium, place in a less favorable rate tier, deny a claim,~~
10 or reduce or refuse to provide a benefit insurance coverage to a policyholder, except as provided in subsections
11 (4), (5), and (7).

12 (4) Subsections (2) and (3) do not apply to a motor vehicle insurance policy:

13 (a) based upon on the policyholder driving a minimum or maximum number of miles or driving
14 within a certain range of miles; and

15 (b) that requires a policyholder to use a recording device for purposes of determining mileage.

16 (5) An insurer may adjust ~~the benefit provided under subsection (1)~~ a premium to the extent that
17 an analysis of the recorded data collected through the telematics agreement accurately represents the
18 policyholder's driving habits.

19 (6) An insurer offering a telematics agreement shall offer all its policyholders under that policy type
20 an equal opportunity to enter into a telematics agreement except to the extent the recording device used under
21 the telematics agreement is not compatible with the motor vehicle of the policyholder.

22 (7) ~~(a)~~ An insurer may terminate a telematics agreement and any associated benefit if a
23 policyholder materially fails to comply with a term of the telematics agreement.

24 ~~(b) Termination of a telematics agreement and any associated benefit under this subsection (7) does~~
25 ~~not constitute a midterm premium increase as provided in 33-15-1108.~~

26 (8) An insurer shall terminate a telematics agreement and ~~any associated benefit upon~~ on the
27 request of the policyholder according to the terms of the telematics agreement.

28 (9) Termination of a telematics agreement under subsections (7) and (8) does not constitute a

Amendment - 1st Reading-white - Requested by: Denley Loge - (H) Business and Labor

- 2023

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Drafter: Jameson Walker, 406-444-3722

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1 midterm premium increase as provided in 33-15-1108.

2 (10) Data collected through a telematics agreement may not be used to justify a midterm premium

3 increase pursuant to 33-15-1108(1)(b)."

4 - END -

AMEND